

Message Text

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PAGE 01 STATE 061862
ORIGIN XMB-04

INFO OCT-01 NEA-10 ISO-00 EB-08 /023 R

DRAFTED BY: XMB:LMLAROCHE
APPROVED BY: EB/IFD:ODF:FHTHOMAS
XMB:C NORRIS
NEA/AFN:DJAMESON
-----191844Z 012189 /41

R 191046Z MAR 77
FM SECSTATE WASHDC
TO AMEMBASSY ALGIERS
INFO AMCONSUL ORAN

UNCLAS STATE 061862

E.O. 11652: NA
TAGS: EFIN, AC
SUBJ: EXIM PC 3856 FOR SONELGAZ POWER STATION

1. EXIMBANK HAS APPROVED PRELIMINARY COMMITMENT NO 3856 TO WESTINGHOUSE TO COVER DOL185 MILLION IN US COSTS OF THREE 160 MW GENERATORS, BOILERS FROM BABCOCK & WILCOX, AND CONSTRUCTION BY U.S. FIRM YET TO BE SELECTED, FOR MERS EL HADJADJ POWER STATION ON FOLLOWING BASIS:

15 PERCENT CASH PAYMENT	DOL27.75 MILLION
55 PERCENT EXIM LOAN AT 9 PERCENT	101.75 MILLION
20 PERCENT PRIVATE LOAN WITH EXIM GUARANTEE	37.0 MILLION
10 PERCENT PRIVATE LOAN WITHOUT EXIM GUARANTEE	18.5 MILLION

COMMITMENT FEE: 0.5 PERCENT
GUARANTEE FEE: 1.5 PERCENT
GUARANTEE COMMITMENT FEE: 0.125 PERCENT
REPAYMENT: 20 SEMIANNUAL INSTALLMENTS, BEGINNING 1 JAN 82, UNGUARANTEED LOAN FIRST, GUARANTEED LOAN SECOND, EXIM LOAN LAST.

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GUARANTOR: BAD FOR AND ON BEHALF OF GOA.
TERMS AND CONDITIONS WILL BE DETAILED IN PC LETTER TO WESTINGHOUSE.

2. PC NO 3856 A TO GE ALSO APPROVED TO COVER DOL88 MILLION IN U.S. COSTS (FYI, OUT OF GE TOTAL PROJECT COST OF DOL196 MILLION VERSUS DOL215 MILLION WESTINGHOUSE TOTAL COST).

FYI, GE IS BIDDING WITH WAGNER BRIO OF AUSTRIA PROVIDING BOILERS AT COST OF DOL75 MILLION, AND CONSTRUCTION SERVICES BY SADELMI OF ITALY AT DOL18 MILLION, WITH DOL15 MILLION IN LOCAL COSTS. END FYI. PATTERN OF GE PC IS ON SAME BASIS:

15 PERCENT CASH PAYMENT	DOL13.2 MILLION
55 PERCENT EXIM LOAN AT 9 PERCENT	48.4 MILLION
20 PERCENT PRIVATE LOAN WITH EXIM GUARANTEE	17.6 MILLION
10 PERCENT PRIVATE LOAN WITHOUT EXIM GUARANTEE	8.8 MILLION

OTHER TERMS AND CONDITIONS IDENTICAL TO PARAGRAPH 1.

3. PLEASE ADVISE SONELGAZ DIR OF FINANCE BAYOU, CHAREF OF BAD, AND SMARA OF SONATRACH OF FOREGOING, WITH ACKNOWLEDGEMENT TO SONELGAZ OF BENEFIT TO EXIM CONSIDERATION OF EXIM TEAM'S MEETING I N ALGIERS WITH SONELGAZ OFFICIALS.

4. LEVEL OF EXIM PARTICIPATION (LOAN AND GUARANTEE) IS RESULT OF UNUSUALLY LONG TERM AND CONSEQUENT INABILITY OF COMMERCIAL BANKS TO PARTICIPATE IN MAJOR SHARE ON OWN RISK. VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE061862
Document Source: CORE
Document Unique ID: 00
Drafter: XMB:LMLAROCHE
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770095-0445
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770342/aaaabjwx.tel
Line Count: 84
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 7d8f5cb5-c288-dd11-92da-001cc4696bcc
Office: ORIGIN XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3055820
Secure: OPEN
Status: NATIVE
Subject: EXIM PC 3856 FOR SONELGAZ POWER STATION
TAGS: EFIN, AC, WESTINGHOUSE, XMB
To: ALGIERS
Type: TE
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